

STATEMENT of SCOPE of a PROPOSED RULE

Regarding Section Ins 9.32 (2) (c) and (e) 1. and 9.33, Wis. Adm. Code, relating to preferred provider plan coverage of off-panel provider services under certain circumstances and affecting small businesses.

(a) A statement of the objective of the proposed rule:

By motion on March 1, 2006 the Joint Committee for Review of Administrative Rules (JCRAR) voted to suspend s. Ins 9.32 (2) (c) and (e) 1., Wis. Adm. Code, and the phrase “(c) and “ in s. Ins 9.33, Wis. Adm. Code. At the hearing, JCRAR requested the Office to modify these provisions by rule. The Office, after consulting with interested parties, including consumer representatives, insurers, and representatives of Wisconsin health care providers, will consider appropriate modifications to ch. Ins 9, Wis. Adm. Code, to address the topic of the JCRAR suspended provisions.

(b) A description of existing policies relevant to the rule and of new policies proposed to be included in the rule and an analysis of policy alternatives:

Chapter Ins 9, Wis. Adm. Code, became effective March 1, 2006. Chapter Ins 9 includes the provisions cited above which address the circumstances where an operation or procedure is performed by an in-panel provider but some ancillary services, such as anesthesiology, radiology or lab tests, are performed by non-participating providers. OCI will, after consulting with interested parties, consider whether there are alternative standards, or alternative implementation, that may more appropriately address this matter than the standards included in the suspended provisions of revised ch. Ins 9, Wis. Adm. Code.

There is no viable alternative to establishing by rule the requirements for these health insurance products. The statutory framework contained within ch. 609 and s. 632.85, Wis. Stats., raise the issues that the proposed rule will address.

(c) A statement of the statutory authority for the rule:

Sections 601.42 (3), 609.20, 609.38, and 632.85, Wis. Stats.

(d) An estimate of the amount of time that state employees will spend to develop the rule and a description of other resources necessary to develop the rule:

200 Hours.

(e) A description of all of the entities that will be affected by the rule.

The proposed rule will affect insurers which offer defined network plans, health maintenance organizations, preferred provider plans and limited service health organization plans. Insurers will be required to revise their relationships, including provider and insurance contracts, with health care providers, health care provider networks, employers and individuals.

(f) A summary and preliminary comparison of any existing or proposed federal regulation that is intended to address the activities to be regulated by this proposed rule:

The Office is unaware of any proposed or existing federal regulation that is intended to address the activities to be regulated by this proposed rule.

This Statement of Scope of a Proposed Rule is prepared under s. 227.135, Stats., and approved on March 24, 2006.

Jorge Gomez
Commissioner